URBAN DEVELOPMENT INSTITUTE- OKANAGAN CHAPTER
210 – 1460 Pandosy Street
Kelowna, BC V1Y 1P3 Canada
T. 778.478.9649 F. 778.478.0393
udiokanagan@udi.org
www.udiokanagan.ca

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Westbank First Nation
Lindley Building - Government
515 Hwy. 97, Kelowna, BC, V1Z 3J2

Attention: Graeme Dimmick, Senior Planner, Westbank First Nation

Subject: UDI Okanagan's Feedback on WFN's DCC Update

Thank you for providing UDI Okanagan with the opportunity to submit feedback on WFN's DCC Bylaw update. After careful review, we believe that this bylaw is very well structured. We have also identified some areas where we have comments and recommendations for changes. These are outlined below.

10 Year Time Horizon

One suggestion that could be explored to improve accuracy and better line up with growth forecasts is to focus on a 10-year time horizon with DCCs rather than a 20-year time span since that would provide less margin for error. We recognize that this might not always be feasible with projects that span over a longer time horizon, but it is something to consider and may be more useful for certain projects.

Annual Review of DCC Bylaw & Indexing

We also recommend reviewing the DCC Bylaw on a regular basis, such as annually or bi-annually. This can help decrease the need for a large increase within one year. It is much easier for the industry to respond to regular, incremental increases than to deal with the impact of a larger increase. The indexing of DCC rate increases is also something that could be explored to help create more certainty regarding what the increases will be.

Payment Installments

Something to consider for larger projects would be to allow applicants to defer their payments by paying in three installments over a period of three years, similar to what happens in some of the surrounding regions. This type of staged or deferred payment will help facilitate and support successful development by lowering the up-front financial burden on larger projects.

Parks & Community Benefit

The Parks component represents the largest portion of the DCC. This caught our attention however we recognize that the allocations are more conservative than what we have seen in other regions. The Community Benefit component also caught our attention because it is not something that we often see within a DCC bylaw. In past communications with other regions, we have been strongly against the concept of Community Amenity Contributions (CACs). Insofar that this Community Benefit category is similar to a CAC, we do not support the inclusion of this in a DCC Bylaw, nor as a separate charge. We believe that this type of category is subjective and difficult to evaluate in terms of direct attribution to new development. We do recognize, however, that in this case it is not a large portion of the DCC.

Multi Family Rates

The multi-family rates have been divided into three categories with the Multi Family Level 2 and Multi Family Level 3 increasing significantly from what they were. This sizeable increase all at once is more difficult to absorb than a series of incremental increases over time.

Also, while we support the approach of encouraging smaller units by charging lower rates for smaller unit sizes as WFN has done, we want to ensure that these rates are equitable. It appears from our analysis that the proposed rates could benefit from being rebalanced.

There are advantages and disadvantages of using unit size to determine charges. One of the advantages is that it can encourage smaller, more affordable units. One of the disadvantages is that unit size is not always an accurate reflection of the impact on infrastructure. The impact on infrastructure is largely dependent on the number of people living in a given dwelling, which does not always correlate with the size of the unit.

In addition, an argument could be made that the single family rates should be significantly higher than multi family rates due to expected larger impact on infrastructure of single family dwellings versus multi family dwellings. The new proposed rates for Multi Family Level 2 and Multi Family Level 3, however, do not seem to reflect that.

To mitigate any negative impact from the increase to Multi Family Level 2 and Multi Family Level 3 in IR #9 and IR #10, we recommend a few options to consider such as:

- Utilizing a stepped approach to phase in these increases over 3 years, instead of a one time increase that is more difficult to absorb;
- Consider blending the multi family rates;
- Consider rebalancing the rates by increasing Multi Family Level 1 rate, increasing Single Family rate, and decreasing Multi Family Level 2 and Multi Family Level 3, respectively.

In summary, we believe that WFN has done a good job with its DCC Bylaw and we are open to further discussions on this topic if there is a need to do so.

Sincerely,

URBAN DEVELOPMENT INSTITUTE OKANAGAN CHAPTER

Per: Jennifer Dixon
Executive Director of UDI Okanagan

Per: Luke Turri
Chair of UDI Okanagan